

1. What is the concept of “entrepreneurial sickness” in small businesses?

- a) A contagious illness affecting entrepreneurs
- b) The negative impact of excessive stress on entrepreneurs’ health
- c) Lack of motivation among employees in small businesses
- d) Failure to adapt to changing market conditions

Answer: b) The negative impact of excessive stress on entrepreneurs’ health

Explanation: Entrepreneurial sickness refers to the physical and mental health challenges faced by entrepreneurs due to the stress and pressure of running a business.

2. What is the magnitude of entrepreneurial sickness in small businesses?

- a) It affects only a small percentage of entrepreneurs
- b) It is a widespread issue impacting a significant portion of entrepreneurs
- c) It is limited to specific industries
- d) It does not exist in small businesses

Answer: b) It is a widespread issue impacting a significant portion of entrepreneurs

Explanation: Entrepreneurial sickness affects a considerable number of entrepreneurs across various industries due to the demanding nature of business ownership.

3. What are some common causes of entrepreneurial sickness?

- a) Lack of financial resources
- b) Overwork and burnout
- c) Healthy work-life balance
- d) Strong support network

Answer: b) Overwork and burnout

Explanation: Overwork and burnout resulting from the pressure of running a business are primary causes of entrepreneurial sickness.

4. What are potential consequences of entrepreneurial sickness?

- a) Increased productivity
- b) Enhanced creativity
- c) Decreased business performance
- d) Improved decision-making

Answer: c) Decreased business performance

Explanation: Entrepreneurial sickness can lead to decreased business performance due to impaired decision-making and productivity.

5. What are corrective measures to address entrepreneurial sickness?

- a) Implementing work-life balance initiatives
- b) Increasing workload
- c) Ignoring the issue
- d) Promoting stress-inducing work environments

Answer: a) Implementing work-life balance initiatives

Explanation: Encouraging work-life balance through initiatives such as flexible schedules and wellness programs can help alleviate entrepreneurial sickness.

6. What are business incubators primarily designed for?

- a) Supporting large corporations
- b) Providing support and resources to startups and small businesses
- c) Offering medical assistance to entrepreneurs

d) Hosting social events for entrepreneurs

Answer: b) Providing support and resources to startups and small businesses

Explanation: Business incubators offer support, resources, and guidance to startups and small businesses to help them grow and succeed.

7. What is the role of government policy in supporting small-scale enterprises?

- a) Impeding their growth
- b) Providing regulatory barriers
- c) Offering financial incentives and supportive measures
- d) Ignoring their existence

Answer: c) Offering financial incentives and supportive measures

Explanation: Government policies often include financial incentives and supportive measures to encourage the growth and development of small-scale enterprises.

8. Which of the following is a growth strategy in small industries involving collaboration with other businesses?

- a) Contraction
- b) Diversification
- c) Downsizing
- d) Subcontracting

Answer: d) Subcontracting

Explanation: Subcontracting involves collaborating with other businesses to fulfill specific tasks or projects, which can facilitate growth in small industries.

9. What does expansion involve as a growth strategy in small industries?

- a) Decreasing market share
- b) Reducing production capacity
- c) Increasing operations, markets, or products
- d) Maintaining the status quo

Answer: c) Increasing operations, markets, or products

Explanation: Expansion in small industries involves increasing operations, entering new markets, or introducing new products or services to grow the business.

10. What is a joint venture as a growth strategy in small industries?

- a) A solo business endeavor
- b) A partnership between two or more businesses for a specific project or purpose
- c) A strategy to downsize operations
- d) An individual retirement plan

Answer: b) A partnership between two or more businesses for a specific project or purpose

Explanation: A joint venture involves two or more businesses collaborating for a specific project or purpose to achieve mutual benefits and growth in small industries.